

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND TWENTIETH LEGISLATURE

FIRST SPECIAL SESSION
November 13, 2002 to November 14, 2002

ONE HUNDRED AND TWENTY-FIRST LEGISLATURE

FIRST REGULAR SESSION
December 4, 2002 to June 14, 2003

THE GENERAL EFFECTIVE DATE FOR
FIRST SPECIAL SESSION
NON-EMERGENCY LAWS IS
FEBRUARY 13, 2003

THE GENERAL EFFECTIVE DATE FOR
FIRST REGULAR SESSION
NON-EMERGENCY LAWS IS
SEPTEMBER 13, 2003

PUBLISHED BY THE REVISOR OF STATUTES
IN ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED,
TITLE 3, SECTION 163-A, SUBSECTION 4.

Penmor Lithographers
Lewiston, Maine
2003

Section 21, 2/3 of all of the members elected to each House have determined it necessary to enact this measure.

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 30-A MRSA §1561, sub-§4 is enacted to read:

4. Limitation on reimbursement rate to medical service providers for services outside county jail. A county may pay to a provider of a medical service for a prisoner an amount no greater than the reimbursement rate applicable to that provider and that service as established by rule of the Department of Human Services for the MaineCare program under Title 22. This limitation applies to all medical care services, goods, prescription drugs and medications provided to a prisoner outside the county jail.

See title page for effective date.

CHAPTER 462

S.P. 310 - L.D. 969

An Act To Ensure Equity in Mortgage Volume Fees

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the Committee to Study the Revenue Sources of the Office of Consumer Credit Regulation is required to submit its report to the Legislature in December 2003; and

Whereas, the committee must begin its meetings as soon as possible in order to complete its work by December; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 9-A MRSA §6-203, sub-§2, as amended by PL 1993, c. 268, §1, is further amended to read:

2. Persons required to file notification who are sellers, lessors or lenders shall pay an additional fee, at the time and in the manner stated in subsection 1, of \$25 for each \$100,000, or part thereof, of the original

unpaid balances arising from consumer credit transactions entered into in this State within the preceding calendar year and held either by the seller, lessor or lender for more than 30 days after the inception of the sale, lease or loan giving rise to the obligations, or by an assignee who has not filed notification. ~~A refinancing of a sale, lease or loan resulting in an increase in the amount of an obligation is considered a new sale, lease or loan to the extent of the amount of the increase.~~

Sec. 2. 9-A MRSA §6-203, sub-§2-A is enacted to read:

2-A. For purposes of assessing fees under this section, a refinancing of a sale, lease or loan made by the original creditor of the obligation that results in an increase in the amount of an obligation over the unpaid principal balance of the prior sale, lease or loan is considered a new sale, lease or loan to the extent of the amount of the increase, and volume fees must be paid on the amount of the increase. Volume fees must be paid on the full amount of a refinancing of a sale, lease or loan made by a creditor other than the original creditor.

Sec. 3. Committee to Study the Revenue Sources of the Office of Consumer Credit Regulation. The Committee to Study the Revenue Sources of the Office of Consumer Credit Regulation, referred to in this section as "the committee," is established.

1. Membership. The committee consists of 14 members, as follows:

A. Two members of the Joint Standing Committee on Business, Research and Economic Development, one who is a member of the Senate appointed by the President of the Senate and one who is a member of the House of Representatives appointed by the Speaker of the House of Representatives;

B. Two members of the Joint Standing Committee on Insurance and Financial Services, one who is a member of the Senate appointed by the President of the Senate and one who is a member of the House of Representatives appointed by the Speaker of the House of Representatives;

C. The Commissioner of Professional and Financial Regulation or the commissioner's designee;

D. The director of the office;

E. Four persons appointed by the Speaker of the House of Representatives as follows: one person who represents the nonbank mortgage lending industry, one person who represents automobile dealers or automobile sales finance companies,

one person who represents debt collectors and one person who represents credit reporting agencies; and

F. Four persons appointed by the President of the Senate as follows: one person who represents mortgage loan servicers, one person who represents credit services organizations or loan brokers and 2 members of the general public who have utilized the services of the office.

All appointments required by this subsection must be made no later than 30 days following the effective date of this Act. The appointing authorities shall notify the Executive Director of the Legislative Council once all appointments have been completed. Within 15 days after appointment of all members, the chairs shall call and convene the first meeting of the committee.

2. Chairs. The first-named Senator is the Senate chair of the committee and the first-named member of the House is the House chair of the committee.

3. Duties. The committee shall study the following issues:

A. The duties associated with regulating the various types of businesses and individuals whose activities come within the jurisdiction of the Department of Professional and Financial Regulation, Office of Consumer Credit Regulation, referred to in this section as "the office";

B. The resources of time and expenditures required to perform those duties under paragraph A, including a review of the costs of administering laws and regulations applicable to licensed and registered companies and the costs of regulating unlicensed or unregistered companies; the costs of receiving, analyzing and resolving consumer complaints and conducting compliance examinations; responding to requests from regulated parties for information, interpretations and rulings; participating in the legislative process; responding to legislative initiatives; and conducting consumer education and outreach activities. The analysis of consumer complaints must include an evaluation of the number and sources of complaints filed with the office over the most recent 5-year period, the time taken to resolve those complaints and the outcome of the complaints;

C. The sources and amounts of revenue collected by the office, including a review of the current creditor and nonbank lender volume fee structure, as well as the various license and registration fees, compliance examination reimbursement assessments, investigatory cost reimbursement assessments and all other sources of revenue; and

D. The relationship over the most recent 10-year period between the actual costs of administering the office and the amount of revenue collected by the office. That analysis must include a review of the unexpended balances carried forward by the office in each fiscal year and the amount and purposes of any transfers from the office's budget to other state agencies for overhead or other administrative purposes.

The committee may make recommendations in its report on any issue in this subsection, including recommendations on amending the existing creditor and nonbank lender volume fee structure.

4. Staffing and meetings. Upon approval of the Legislative Council, the Office of Policy and Legal Analysis shall provide staffing services to the committee. The committee is authorized to meet 3 times to conduct the duties set forth in subsection 1 and to prepare the report referenced in subsection 6.

5. Compensation. Members of the committee who are Legislators are entitled to the legislative per diem, as defined in the Maine Revised Statutes, Title 3, section 2, and reimbursement for necessary expenses incurred for their attendance at authorized meetings of the committee. Other members of the committee who are not otherwise compensated by their employers or other entities that they represent are entitled to receive reimbursement of necessary expenses and, upon a demonstration of financial hardship, a per diem equal to the legislative per diem for their attendance at authorized meetings of the committee.

6. Report. The committee shall submit its report to the Second Regular Session of the 121st Legislature no later than December 3, 2003. The committee may submit a bill to the Legislature to implement its recommendations at the time of submission of its report. If the committee requires a limited extension of time to complete its report, it may apply to the Legislative Council, which may grant the extension.

7. Funding. All costs of the committee are funded using unobligated Other Special Revenue funds within the office.

Sec. 4. Appropriations and allocations. The following appropriations and allocations are made.

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Committee to Study the Revenue Sources of the Office of Consumer Credit Regulation

Initiative: Provides for the allocation of funds to authorize operating expenditures to support the costs

of the committee. These funds are derived from unobligated dedicated funds that will be transferred from the Office of Consumer Credit Regulation in the Department of Professional and Financial Regulation to the Legislature at the beginning of the fiscal year.

Other Special Revenue Funds	2003-04	2004-05
Personal Services	\$660	\$0
All Other	2,550	0
Other Special Revenue Funds Total	\$3,210	\$0

Emergency clause. In view of the emergency cited in the preamble, this Act takes effect when approved.

Effective June 16, 2003.

CHAPTER 463

H.P. 59 - L.D. 51

An Act to Amend Certain Provisions of the Program Evaluation and Government Accountability Laws

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 3 MRSA §992, sub-§5, as enacted by PL 2001, c. 702, §2, is amended to read:

5. Program evaluation. "Program evaluation" means an examination of any government program that includes performance audits, management analysis, inspections, operations or research or examinations of efficiency, effectiveness, or economy and, when determined necessary by the committee, financial audits and post-audits. All financial audits and post-audits must be performed by the Department of Audit or, if the Department of Audit is unable to perform the audit within the time frame established by the committee to complete the report, a qualified auditor.

Sec. 2. 3 MRSA §992, sub-§5-A is enacted to read:

5-A. Qualified auditor. "Qualified auditor" means an auditor who meets the education and experience requirements of the Office of State Auditor as defined in Title 5, section 241.

Sec. 3. 3 MRSA §994, sub-§10, as enacted by PL 2001, c. 702, §2, is amended to read:

10. Adopt rules. To adopt rules, as long as the rules are not in conflict with the Joint Rules of the Legislature. By January 1, 2005, the committee must

develop a mission statement to be included in the rules.

Sec. 4. 3 MRSA §995, sub-§4, as enacted by PL 2001, c. 702, §2, is amended to read:

4. Annual report. The director shall prepare an annual report of the office's activities for each calendar year and shall submit that annual report to the committee and the Legislature no later than ~~March 1st~~ January 15th of each calendar year.

See title page for effective date.

CHAPTER 464

S.P. 436 - L.D. 1345

An Act To Make Minor Technical Changes to the Maine Biomedical Research Program and To Amend the Calculation of Funds To Be Transferred to the Maine Research and Development Evaluation Fund

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, this legislation adds general obligation bonds issued for research and development to the calculation of funds to the Maine Research and Development Evaluation Fund; and

Whereas, it is imperative that this legislation be effective in advance of the authorization of additional bonds; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 5 MRSA §13060-C, first ¶, as enacted by PL 2003, c. 20, Pt. RR, §2 and affected by §18, is amended to read:

To assist the department in preparing a comprehensive research and development evaluation, a recipient of state funding including general obligation bond proceeds for research and development shall, in addition to any other reporting requirements required by law: